



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the City Manager to Enter Into Negotiations with Eden Housing, Inc. in regards to Affordable Senior Housing Development located at 2246 Tienda Drive

MEETING DATE: April 1, 2009

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Authorize the City Manager to Enter Into Negotiations with Eden Housing, Inc. in regards to Affordable Senior Housing Development located at 2246 Tienda Drive.

BACKGROUND INFORMATION: In 2006, the City Council allocated \$330,000 of our Community Development Block Grant (CDBG) funding toward the acquisition of land for an affordable housing project.

Shortly thereafter, we supplemented that 2006 CDBG allocation with a combination of both CDBG and HOME fund program income that had been generated through our existing Housing Assistance Programs that serve low-income homebuyers and homeowners. This provided a total of \$1.2 million for acquisition of land for an affordable housing project.

The City-owned property adjacent to the Roget Park site has been identified as the best-suited location to use those funds. While there is no need to negotiate for the purchase of land, CDBG funds must be allocated to a non-profit developer who will acquire the land from the City at a price determined through a recent fair-market appraisal (\$650,000). Through the execution of a Development, Disposition and Loan Agreement (DDLA) the chosen developer will take possession of the land and commit to producing an affordable senior housing project within a determined timeframe. If the developer fails to develop a project within the time noted in the DDLA, ownership of the land will then revert to the City.

A Request For Qualifications (RFQ) was distributed to a select group of experienced affordable housing developers in Northern California. Two proposals were received, from Eden Housing in Hayward and Domus Development in San Francisco.

A committee consisting of three Planning Commissioners, and one representative each from both the Senior Citizen Commission and the Budget and Finance Committee, met and reviewed the two submittals. A summary comparison of the two developers experience and qualifications that was provided to the review committee is attached for your reference.

APPROVED:

Blair King, City Manager

At the completion of its review, the committee recommended that Eden Housing be selected for further consideration. Staff is therefore bringing this matter before the City Council to seek authorization for the City Manager to enter into negotiations with Eden Housing, Inc. for an agreement to develop an affordable senior housing project at the property identified as **2246** Tienda Drive.

From that point, Eden Housing will pursue its due diligence in reviewing the site in advance of a Disposition, Development and Loan Agreement and the subsequent reallocation of CDBG funds for the acquisition of the property.

FISCAL IMPACT: None at this time.

FUNDING AVAILABLE: N/A

A handwritten signature in dark ink, appearing to be 'Konradt Bartlam', written over a horizontal line.

Konradt Bartlam
Community Development Director